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Create Value, Build the Future
TOA CORPORATION

Consolidated Financial Results for the Six Months Ended September 30, 2026 (Japanese GAAP)

November 10, 2026

Company name: TOA CORPORATION
Listing: Tokyo Stock Exchange, Sapporo Securities Exchange
Securities code: 1885
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Scheduled date to file semi-annual securities report: November 11, 2026
Scheduled date to commence dividend payments: December 4, 2026
Preparation of supplementary material on financial results: Yes
Holding of financial results briefing: Yes (for institutional investors and analysts)

(Yen amounts are rounded down to millions, unless otherwise noted.)

1. Consolidated financial results for the six months ended September 30, 2026 (from April 1, 2026 to September 30, 2026)

(1) Consolidated operating results (cumulative)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Six months ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
September 30, 2026	160,155	(2.8)	13,602	22.1	13,434	21.8	9,198	20.0
September 30, 2025	164,829	10.0	11,139	18.1	11,025	20.2	7,665	15.0

Note: Comprehensive income For the six months ended September 30, 2026: ¥ 10,729 million [17.8%]
For the six months ended September 30, 2025: ¥ 9,106 million [48.9%]

	Basic earnings per share	Diluted earnings per share
Six months ended	Yen	Yen
September 30, 2026	118.36	-
September 30, 2025	97.56	-

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio
As of	Millions of yen	Millions of yen	%
September 30, 2026	319,603	125,534	38.9
March 31, 2026	305,435	117,926	38.2

Reference: Equity
As of September 30, 2026: ¥ 124,197 million
As of March 31, 2026: ¥ 116,537 million

2. Dividends

	Annual dividends				
	First quarter-end	Second quarter-end	Third quarter-end	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2026	-	38.00	-	62.00	100.00
Fiscal year ending March 31, 2027	-	42.50			
Fiscal year ending March 31, 2027 (Forecast)			-	42.50	85.00

Note1: Revision to the forecast for dividends announced most recently Yes

Note2: Breakdown of annual dividends for the fiscal year ended March 31, 2026:

Ordinary dividend: 77 yen

Special dividend: 23 yen

3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2027 (from April 1, 2026 to March 31, 2027)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	355,000	(1.0)	24,700	2.1	24,300	(1.2)	16,500	(14.8)	210.01

Note1: Revisions to the financial results forecast most recently announced: Yes

*** Notes**

(1) Significant changes in the scope of consolidation during the period: Yes

Newly included: 1 company (R2TOA CORPORATION)

(2) Adoption of accounting treatment specific to the preparation of semi-annual consolidated financial statements: None

(3) Changes in accounting policies, changes in accounting estimates, and restatement

(i) Changes in accounting policies due to revisions to accounting standards and other regulations: None

(ii) Changes in accounting policies due to other reasons: None

(iii) Changes in accounting estimates: None

(iv) Restatement: None

(4) Number of issued shares (common shares)

(i) Total number of issued shares at the end of the period (including treasury shares)

As of September 30, 2026	87,978,516 shares
As of March 31, 2026	87,978,516 shares

(ii) Number of treasury shares at the end of the period

As of September 30, 2026	8,551,674 shares
As of March 31, 2026	10,661,736 shares

(iii) Average number of shares outstanding during the period (cumulative from the beginning of the fiscal year)

Six months ended September 30, 2026	77,709,673 shares
Six months ended September 30, 2025	78,575,923 shares

Note: Both the number of treasury shares at the end of the period and the number of treasury shares excluded for calculating the average number of shares during the period include our shares held by the Board Benefit Trust (BBT) and the Japanese version of Employee Stock Ownership Plan Restricted Stock (J-ESOP-RS).

* The semi-annual financial results are not subject to review by certified public accountants or an audit firm.

* Proper use of earnings forecasts, and other special matters

The forecasts given above are based on information currently available and certain premises regarded as reasonable.
The actual business results may be materially different from forecasts due to a variety of factors.

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1. Overview of Operating Results and Others

(1) Overview of Operating Results

During the six months ended September 30, 2026, the Japanese economy has recovered gradually with improvements in the employment and income situation. However, uncertainty regarding future outlook persists due to rising geopolitical tensions in the Middle East and the accompanying energy price trends, the impact of natural disasters on economic activities, continued price increase, fluctuation of financial and capital markets, and other factors.

In the construction market, public investment continues to be strong, even though the effects of soaring prices of materials and equipment as well as rising labor costs must continue to be closely monitored. Construction demand is expected to remain strong going forward based on disaster prevention and mitigation measures outlined in "The 1st Mid-term Plan for the Implementation of National Resilience" approved by the Cabinet in June 2025, as well as security infrastructure improvement associated with defense buildup.

Under these circumstances, based on the Medium-term Management Plan <2026–2028>, we will strive to integrate our business and sustainability strategies to achieve "Growth of Human Resources and Businesses That Respond to Societal Demands." We will continue to grow sustainably alongside society, aiming to achieve net sales of ¥500 billion and operating profit of ¥30 billion by fiscal year 2035.

As for the consolidated performances during the six months ended September 30, 2026, we recorded net sales of ¥160,155 million (decreased by 2.8% year on year), operating profit of ¥13,602 million (increased by 22.1% year on year), ordinary profit of ¥13,434 million (increased by 21.8% year on year), and profit attributable to owners of parent of ¥9,198 million (increased by 20.0% year on year).

Operating results by segment are as follows.

(Domestic civil engineering business)

With marine civil engineering as our main field, we are continually improving infrastructure and social capital such as ports, railways, and roads. Net sales during the six months ended September 30, 2026 were ¥75,105 million (increased by 8.4% year on year) due mainly to the solid progress of large-scale port projects carried over from the previous fiscal year. Segment profit (operating profit) was ¥8,954 million (increased by 18.3% year on year) due to an increase in profit resulting from increased net sales, improved profitability of large-scale port projects and other factors.

On a non-consolidated basis, we received ¥97,453 million in orders (increased by 21.6% year on year) due to the fact that we received new orders, as well as orders for design changes, related to port projects, etc., some of which were defense-related.

(Domestic building construction business)

We are expanding the orders by sole-source, project proposal, and design and construction projects in the fields of warehouses, logistics facilities, housing, offices, etc. Net sales during the six months ended September 30, 2026 were ¥36,548 million (decreased by 25.9% year on year) due to the recording of sales from large-scale projects for multiple warehouses and logistics facilities in the same period of the previous fiscal year. Segment profit (operating profit) was ¥4,637 million (increased by 16.5% year on year) due to improved profitability at the time of order taking.

On a non-consolidated basis, we received ¥38,111 million in orders (decreased by 45.2% year on year) for the period under review, as we did not have plans to receive orders for large-scale projects in the fiscal first half, although we secured orders for warehouses, condominiums, etc.

(Overseas business)

We are mainly engaged in marine civil engineering and related areas in Southeast Asia, as well as in other regions such as Africa and South Asia. Net sales during the six months ended September 30, 2026 were ¥41,433 million

(increased by 1.8% year on year) due to the steady progress of large-scale port projects in Southeast Asia and other regions. Segment profit (operating profit) was ¥2,111 million (increased by 50.6% year on year) due to factors such as securing design change orders for the projects completed in previous fiscal years and the absence of provision for loss on construction contracts which was recorded in the same period of the previous fiscal year. On a non-consolidated basis, we received ¥6,642 million in orders (decreased by 32.8% year on year) as, during the six months ended September 30, 2026, we did not have plans to receive orders for large-scale projects in the fiscal first half.

(Others)

Net sales during the six months ended September 30, 2026 were ¥7,067 million (increased by 27.3% year on year) and segment profit (operating profit) was ¥985 million (increased by 46.4% year on year).

(2) Overview of Financial Position

(Assets, liabilities, and net assets)

Total assets at the end of the six months ended September 30, 2026 amounted to ¥319,603 million, increasing by ¥14,167 million from the end of the previous fiscal year. This was mainly due to an increase in notes receivable, accounts receivable from completed construction contracts and other, despite a decrease in cash and deposits.

Total liabilities amounted to ¥194,068 million, increasing by ¥6,559 million from the end of the previous fiscal year. This was mainly due to increases in short-term borrowings and commercial papers, despite a decrease in notes payable, accounts payable for construction contracts and other.

Net assets amounted to ¥125,534 million, increasing by ¥7,608 million from the end of the previous fiscal year. This was mainly due to the disposal of treasury shares and an increase in retained earnings resulting from profit attributable to owners of parent, despite a decrease in retained earnings due to dividend payments. The capital adequacy ratio is 38.9%, up 0.7 percentage points from the end of the previous fiscal year.

(Analysis of cash flows)

In the six months ended September 30, 2026, net cash used in operating activities was ¥38,522 million (¥18,726 million was provided in the same period of the previous fiscal year) mainly due to an increase in trade receivables and a decrease in trade payables.

Net cash used in investing activities was ¥1,553 million (¥1,320 million was used in the same period of the previous fiscal year) mainly due to purchase of non-current assets.

Net cash provided by financing activities was ¥31,492 million (¥14,672 million was used in the same period of the previous fiscal year) mainly due to issuance of commercial papers and procurement of borrowings.

As a result of the above, cash and cash equivalents at the end of the six months ended September 30, 2026 decreased by ¥8,523 million from the end of the previous fiscal year, and after adding an increase of ¥32 million in cash and cash equivalents resulting from newly consolidated subsidiaries, amounted to ¥40,740 million (¥44,273 million in the same period of the previous fiscal year).

(3) Explanation of Consolidated Financial Results Forecast and Other Forward-looking Information

We have revised the full-year financial results forecast for the fiscal year ending March 31, 2027 announced on May 13, 2026, in light of the recent performance trends. For more details, please refer to "Notice of Revisions to Financial Results Forecasts, Interim Dividends of Surplus, and Revisions to a Year-end Dividends Forecast (Dividend Increase)," announced today (November 10, 2026).

1) Revisions to full-year forecast figures of consolidated financial results for the fiscal year ending March 31, 2027 (April 1, 2026 to March 31, 2027)

Fiscal year ending March 31, 2027

	Consolidated		Non-consolidated	
	Forecast figure	YoY change	Forecast figure	YoY change
Orders received	–	–	354,000 million yen	4.5 %
Net sales	355,000 million yen	(1.0) %	335,500 million yen	(2.2) %
Operating profit	24,700 million yen	2.1 %	23,400 million yen	4.0 %
Ordinary profit	24,300 million yen	(1.2) %	23,500 million yen	3.1 %
Profit	16,500 million yen	(14.8) %	16,300 million yen	(10.2) %

Note: Profit on a consolidated basis represents profit attributable to owners of parent.

2) Dividend

Regarding the dividends for the fiscal year ending March 31, 2027, we once decided to pay an interim dividend of ¥38.5 per share and a year-end dividend of ¥38.5 per share, a total of ¥77 in dividends for the full year, but this time we have decided to increase the interim dividend by ¥4 to ¥42.5 per share and raise the year-end dividend forecast from the most recent forecast by ¥4 to ¥42.5 per share, after comprehensively considering the revised financial results forecast for the fiscal year under review, our financial position and other factors.

As a result, the annual dividend payout for the fiscal year under review will be ¥85 per share, including an interim dividend of ¥42.5.

2. Semi-annual Consolidated Financial Statements and Principal Notes

(1) Semi-annual Consolidated Balance Sheet

(Millions of yen)

	As of March 31, 2026	As of September 30, 2026
Assets		
Current assets		
Cash and deposits	49,380	40,885
Notes receivable, accounts receivable from completed construction contracts and other	157,782	168,183
Securities	-	1
Costs on construction contracts in progress	3,733	5,313
Real estate for sale	2,430	2,391
Advances paid	18,842	24,099
Other	8,537	13,897
Allowance for doubtful accounts	(2)	(5)
Total current assets	240,703	254,767
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	5,503	5,333
Machinery, vehicles, tools, furniture and fixtures, net	8,010	8,191
Land	17,899	17,788
Other	1,140	697
Total property, plant and equipment	32,554	32,010
Intangible assets	1,399	1,754
Investments and other assets		
Investment securities	14,733	17,677
Retirement benefit asset	9,782	9,486
Other	7,471	5,114
Allowance for doubtful accounts	(1,209)	(1,207)
Total investments and other assets	30,777	31,070
Total non-current assets	64,732	64,835
Total assets	305,435	319,603

(Millions of yen)

	As of March 31, 2026	As of September 30, 2026
Liabilities		
Current liabilities		
Notes payable, accounts payable for construction contracts and other	49,876	36,572
Electronically recorded obligations - operating	13,526	10,820
Short-term borrowings	10,050	43,871
Commercial papers	-	5,000
Income taxes payable	8,981	2,820
Advances received on construction contracts in progress	17,191	19,208
Deposits received	39,740	41,707
Provision for warranties for completed construction	1,190	1,113
Provision for loss on construction contracts	8,892	7,037
Provision for bonuses for directors (and other officers)	215	73
Provision for employee stock ownership plan trust	2,147	469
Other	14,814	5,959
Total current liabilities	166,628	174,654
Non-current liabilities		
Bonds payable	5,000	5,000
Long-term borrowings	10,085	8,084
Deferred tax liabilities for land revaluation	2,202	2,202
Retirement benefit liability	699	733
Provision for share awards for directors (and other officers)	1,133	1,394
Other	1,759	1,999
Total non-current liabilities	20,880	19,414
Total liabilities	187,509	194,068
Net assets		
Shareholders' equity		
Share capital	18,976	18,976
Capital surplus	22,724	22,724
Retained earnings	76,940	80,936
Treasury shares	(16,515)	(14,582)
Total shareholders' equity	102,126	108,054
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	6,093	8,105
Deferred gains or losses on hedges	125	14
Revaluation reserve for land	3,245	3,374
Foreign currency translation adjustment	(29)	(46)
Remeasurements of defined benefit plans	4,975	4,693
Total accumulated other comprehensive income	14,410	16,142
Non-controlling interests	1,389	1,337
Total net assets	117,926	125,534
Total liabilities and net assets	305,435	319,603

(2) Semi-annual Consolidated Statements of Income and Comprehensive Income

Semi-annual Consolidated Statements of Income

(Millions of yen)

	For the six months ended September 30, 2025	For the six months ended September 30, 2026
Net sales	164,829	160,155
Cost of sales	145,919	137,962
Gross profit	18,910	22,192
Selling, general and administrative expenses	7,770	8,589
Operating profit	11,139	13,602
Non-operating income		
Interest income	48	104
Dividend income	205	202
Foreign exchange gains	26	-
Other	24	52
Total non-operating income	304	359
Non-operating expenses		
Interest expenses	281	291
Foreign exchange losses	-	83
Guarantee fee	82	110
Other	55	41
Total non-operating expenses	418	527
Ordinary profit	11,025	13,434
Extraordinary income		
Gain on sale of non-current assets	26	131
Gain on sale of investment securities	102	-
Total extraordinary income	129	131
Extraordinary losses		
Loss on sale of non-current assets	-	2
Loss on retirement of non-current assets	20	25
Restoration cost	-	35
Loss on valuation of right to use facilities	9	0
Other	0	1
Total extraordinary losses	29	65
Profit before income taxes	11,125	13,500
Income taxes - current	3,540	2,742
Income taxes - deferred	(149)	1,622
Total income taxes	3,391	4,364
Profit	7,734	9,135
Profit (loss) attributable to non-controlling interests	68	(62)
Profit attributable to owners of parent	7,665	9,198

Semi-annual Consolidated Statement of Comprehensive Income

(Millions of yen)

	For the six months ended September 30, 2025	For the six months ended September 30, 2026
Profit	7,734	9,135
Other comprehensive income		
Valuation difference on available-for-sale securities	1,509	2,012
Deferred gains or losses on hedges	65	(110)
Foreign currency translation adjustment	(86)	(26)
Remeasurements of defined benefit plans, net of tax	(116)	(281)
Total other comprehensive income	1,371	1,593
Comprehensive income	9,106	10,729
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	9,066	10,800
Comprehensive income attributable to non-controlling interests	39	(71)

(3) Semi-annual Consolidated Statement of Cash Flows

(Millions of yen)

	For the six months ended September 30, 2025	For the six months ended September 30, 2026
Cash flows from operating activities		
Profit before income taxes	11,125	13,500
Depreciation	1,389	1,551
Increase (decrease) in allowance for doubtful accounts	(7)	1
Increase (decrease) in net defined benefit asset and liability	(210)	329
Increase (decrease) in provision for share awards for directors (and other officers)	30	287
Increase (decrease) in provision for employee stock ownership plan trust	112	229
Interest and dividend income	(254)	(307)
Interest expenses	281	291
Foreign exchange losses (gains)	(18)	(87)
Increase (decrease) in provision for loss on construction contracts	2,252	(1,855)
Increase (decrease) in accrued consumption taxes	(4,828)	(11,783)
Loss (gain) on valuation of short-term and long-term investment securities	0	-
Loss (gain) on sale of short-term and long-term investment securities	(102)	-
Loss (gain) on sale of property, plant and equipment and intangible assets	(26)	(128)
Loss on retirement of property, plant and equipment and intangible assets	21	5
Decrease (increase) in trade receivables	10,048	(10,401)
Decrease (increase) in costs on construction contracts in progress	(1,208)	(1,580)
Decrease (increase) in real estate for sale	39	39
Decrease (increase) in advances paid	518	(5,257)
Increase (decrease) in trade payables	(10,005)	(16,009)
Increase (decrease) in advances received on construction contracts in progress	12,663	2,021
Increase (decrease) in deposits received	4,703	1,966
Other, net	(4,293)	(2,288)
Subtotal	22,229	(29,477)
Interest and dividends received	256	308
Interest paid	(285)	(366)
Income taxes paid	(3,475)	(8,987)
Net cash provided by (used in) operating activities	18,726	(38,522)

(Millions of yen)

	For the six months ended September 30, 2025	For the six months ended September 30, 2026
Cash flows from investing activities		
Purchase of property, plant and equipment	(1,262)	(1,292)
Proceeds from sale of property, plant and equipment	39	312
Payments for retirement of property, plant and equipment	(17)	-
Purchase of intangible assets	(123)	(576)
Loan advances	(1)	(0)
Purchase of short-term and long-term investment securities	(78)	(15)
Proceeds from sale and redemption of short-term and long-term investment securities	118	-
Proceeds from collection of loans receivable	8	15
Other, net	(3)	3
Net cash provided by (used in) investing activities	(1,320)	(1,553)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	3,837	33,800
Net increase (decrease) in commercial papers	(6,000)	5,000
Repayments of long-term borrowings	(2,049)	(1,980)
Purchase of treasury shares	(0)	(0)
Payments of money hold in trust for purchase of treasury stock	(4,000)	-
Dividends paid	(6,204)	(5,059)
Other, net	(255)	(267)
Net cash provided by (used in) financing activities	(14,672)	31,492
Effect of exchange rate change on cash and cash equivalents	(43)	60
Net increase (decrease) in cash and cash equivalents	2,689	(8,523)
Cash and cash equivalents at beginning of period	41,583	49,231
Increases in cash and cash equivalents from newly consolidated subsidiaries	-	32
Cash and cash equivalents at end of the six months	44,273	40,740

(4) Notes to Semi-annual Consolidated Financial Statements

(Notes to segment information)

Six months ended September 30, 2025 (from April 1, 2025 to September 30, 2025)

Information on net sales and profits or losses by reportable segment

(Millions of yen)

	Reportable segment				Other (Note 1)	Total	Adjustments (Note 2)	Semi-annual consolidated financial statement amounts (Note 3)
	Domestic civil engineering business	Domestic building construction business	Overseas business	Total				
Net sales								
(1) Net sales to external customers	69,275	49,301	40,701	159,278	5,551	164,829	–	164,829
(2) Inter-segment net sales and transfers	–	87	–	87	5,313	5,401	(5,401)	–
Total	69,275	49,389	40,701	159,366	10,864	170,230	(5,401)	164,829
Segment profit	7,572	3,979	1,401	12,953	672	13,626	(2,487)	11,139

(Notes) 1. The "Other" section is a business segment that is not included in the reportable segments and includes the real estate business, the construction equipment manufacturing, sales and repair business, and the PFI business.
2. The segment profit adjustment of ¥(2,487) million includes elimination of inter-segment transactions of ¥32 million and general and administrative expenses of ¥(2,520) million that are not attributable to any reportable segments.
3. Segment profit is adjusted with the operating profit in the semi-annual consolidated statements of income.

Six months ended September 30, 2026 (from April 1, 2026 to September 30, 2026)

Information on net sales and profits or losses by reportable segment

(Millions of yen)

	Reportable segment				Other (Note 1)	Total	Adjustments (Note 2)	Semi-annual consolidated financial statement amounts (Note 3)
	Domestic civil engineering business	Domestic building construction business	Overseas business	Total				
Net sales								
(1) Net sales to external customers	75,105	36,548	41,433	153,087	7,067	160,155	–	160,155
(2) Inter-segment net sales and transfers	–	0	–	0	5,117	5,118	(5,118)	–
Total	75,105	36,549	41,433	153,088	12,185	165,273	(5,118)	160,155
Segment profit	8,954	4,637	2,111	15,704	985	16,689	(3,086)	13,602

(Notes) 1. The "Other" section is a business segment that is not included in the reportable segments and includes the real estate business, the construction equipment manufacturing, sales and repair business, and the PFI business.
2. The segment profit adjustment of ¥(3,086) million includes elimination of inter-segment transactions of ¥(94) million and general and administrative expenses of ¥(2,992) million that are not attributable to any reportable segments.
3. Segment profit is adjusted with the operating profit in the semi-annual consolidated statements of income.

(Notes in case of significant changes in shareholders' equity)

Not applicable.

(Notes on going concern assumption)

Not applicable.

(Significant subsequent events)

(Acquisition and cancellation of treasury shares)

At a meeting held on November 10, 2026, the Board of Directors of the Company resolved on matters relating to the acquisition of treasury shares pursuant to Article 156 of the Companies Act, as applied by replacing the relevant terms pursuant to Article 165, Paragraph 3 of the same Act, and resolved to cancel treasury shares pursuant to Article 178 of the same Act.

1. Reason for the acquisition of treasury shares

To enhance shareholder returns and improve capital efficiency as part of efforts to implement management that is conscious of the cost of capital and stock price.

2. Details of the acquisition

(1) Class of shares to be acquired: Common shares of the Company
(2) Total number of shares to be acquired: 4,500,000 shares (maximum)
Note: 5.67% of the total number of issued shares (excluding treasury shares)
(3) Total acquisition cost: ¥8,000,000,000 (maximum)
(4) Acquisition period: From November 20, 2026 to March 24, 2027
(5) Acquisition method: Market purchases on the Tokyo Stock Exchange

3. Details of the cancellation

(1) Class of shares to be cancelled: Common shares of the Company
(2) Total number of shares to be cancelled: All treasury shares acquired under 2. above
(3) Scheduled cancellation date: March 31, 2027

(Reference)

Treasury shares held as of September 30, 2026
Total number of issued shares (excluding treasury shares): 79,426,842 shares
Number of treasury shares: 8,551,674 shares (Note)

Note: The number of treasury shares includes 2,386,866 shares of the Company held by the trusts for the Board Benefit Trust (BBT) and the Japanese version of Employee Stock Ownership Plan Restricted Stock (J-ESOP-RS).

3. (Reference) Semi-annual Non-consolidated Financial Statements

(Note) These Semi-annual non-consolidated financial statements are stated in accordance with the Regulation on Terminology, Forms, and Preparation Methods of Financial Statements and the Enforcement Regulations of the Construction Business Act. The classification of items is partially summarized.

(1) (Summary) Semi-annual Non-consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2026	As of September 30, 2026	Change
Assets			
Current assets			
Cash and deposits	44,688	36,767	(7,921)
Notes receivable - trade	110	2,709	2,599
Accounts receivable from completed construction contracts	148,521	157,194	8,672
Accounts receivable-side line business	4,349	3,082	(1,267)
Securities	—	1	1
Costs on construction contracts in progress	2,560	2,961	400
Costs on uncompleted side line business	218	281	63
Real estate for sale	2,168	2,131	(36)
Advances paid	18,854	24,094	5,240
Other	8,505	13,633	5,128
Allowance for doubtful accounts	(1)	(1)	(0)
Total current assets	229,975	242,857	12,881
Non-current assets			
Property, plant and equipment			
Land	14,720	14,608	(111)
Other	11,700	11,469	(231)
Total property, plant and equipment	26,420	26,078	(342)
Intangible assets	1,338	1,691	353
Investments and other assets			
Investment securities	13,027	15,857	2,829
Prepaid pension costs	2,516	2,632	115
Deferred tax assets	6,421	4,065	(2,355)
Other	6,060	5,957	(103)
Allowance for doubtful accounts	(491)	(492)	(0)
Total investments and other assets	27,534	28,020	485
Total non-current assets	55,293	55,790	496
Total assets	285,269	298,647	13,377

(Millions of yen)

	As of March 31, 2026	As of September 30, 2026	Change
Liabilities			
Current liabilities			
Notes payable - trade	87	—	(87)
Electronically recorded obligations - operating	14,629	11,514	(3,114)
Accounts payable for construction contracts	46,435	33,875	(12,560)
Short-term borrowings	9,999	43,021	33,022
Commercial paper	—	5,000	5,000
Advances received on construction contracts in progress	16,588	18,682	2,094
Deposits received	43,075	44,657	1,582
Provision for warranties for completed construction	1,190	1,113	(77)
Provision for loss on construction contracts	8,876	7,026	(1,850)
Provision for bonuses for directors (and other officers)	211	73	(137)
Provision for employee stock ownership plan trust	2,147	469	(1,677)
Other	25,883	11,212	(14,670)
Total current liabilities	169,123	176,646	7,523
Non-current liabilities			
Bonds payable	5,000	5,000	—
Long-term borrowings	10,085	8,084	(2,000)
Deferred tax liabilities for land revaluation	2,202	2,202	—
Provision for share awards for directors (and other officers)	1,133	1,394	261
Other	897	1,038	140
Total non-current liabilities	19,318	17,719	(1,599)
Total liabilities	188,442	194,366	5,923
Net assets			
Shareholders' equity			
Share capital	18,976	18,976	—
Capital surplus			
Legal capital surplus	4,744	4,744	—
Other capital surplus	18,033	18,033	—
Total capital surplus	22,777	22,777	—
Retained earnings			
Other retained earnings			
General reserve	14,000	14,000	—
Retained earnings brought forward	48,279	51,844	3,564
Total retained earnings	62,279	65,844	3,564
Treasury shares	(16,031)	(14,098)	1,932
Total shareholders' equity	88,003	93,500	5,496
Valuation and translation adjustments			
Valuation difference on available-for-sale securities	5,453	7,391	1,937
Deferred gains or losses on hedges	125	14	(110)
Revaluation reserve for land	3,245	3,374	129
Total valuation and translation adjustments	8,824	10,780	1,956
Total net assets	96,827	104,280	7,453
Total liabilities and net assets	285,269	298,647	13,377

(2) (Summary) Semi-annual Non-consolidated Statements of Income

(Millions of yen)

	For the six months ended September 30, 2025	For the six months ended September 30, 2026	Changes
Net sales	159,663	153,389	(6,273)
Cost of sales	141,962	132,513	(9,448)
Gross profit	17,700	20,875	3,174
Selling, general and administrative expenses	7,183	7,940	757
Operating profit	10,517	12,934	2,417
Non-operating income	276	315	39
Non-operating expenses	421	536	114
Ordinary profit	10,372	12,714	2,342
Extraordinary income	103	126	23
Extraordinary losses	31	65	34
Profit before income taxes	10,444	12,775	2,331
Income taxes - current	3,367	2,493	(873)
Income taxes - deferred	(200)	1,514	1,715
Total income taxes	3,166	4,008	841
Profit	7,277	8,766	1,489

4. Supplementary Information

(1) Overview of non-consolidated net sales, orders received, etc. for the six months ended September 30, 2026

(Millions of yen)

			Six months ended September 30, 2025 (April 1, 2025– September 30, 2025)		Six months ended September 30, 2026 (April 1, 2026– September 30, 2026)		Changes	Changes (%)
			Amount	Composition (%)	Amount	Composition (%)		
Net sales	Civil engineering	Domestic public	52,933	[33.2]	56,422	[36.8]	3,489	6.6
		Domestic private	14,116	[8.8]	16,624	[10.8]	2,507	17.8
		Subtotal	67,050	[42.0]	73,047	[47.6]	5,997	8.9
	Building construction	Domestic public	3,238	[2.0]	5,193	[3.4]	1,955	60.4
		Domestic private	45,602	[28.6]	30,782	[20.1]	(14,820)	(32.5)
		Subtotal	48,841	[30.6]	35,976	[23.5]	(12,865)	(26.3)
	Domestic subtotal		115,891	[72.6]	109,024	[71.1]	(6,867)	(5.9)
	Overseas	Civil engineering	40,525	[25.4]	40,498	[26.4]	(27)	(0.1)
		Building construction	175	[0.1]	927	[0.6]	752	428.1
		Subtotal	40,701	[25.5]	41,426	[27.0]	724	1.8
	Total	Civil engineering subtotal	107,575	[67.4]	113,545	[74.0]	5,969	5.5
		Building construction subtotal	49,017	[30.7]	36,904	[24.1]	(12,112)	(24.7)
	Construction business subtotal		156,593	[98.1]	150,450	[98.1]	(6,142)	(3.9)
	Development business and others*		2,773	[1.7]	2,636	[1.7]	(137)	(4.9)
	Real estate business and others		296	[0.2]	302	[0.2]	5	2.0
	Total		159,663	[100.0]	153,389	[100.0]	(6,273)	(3.9)
Orders received	Civil engineering	Domestic public	37,330	[23.4]	61,414	[43.2]	24,084	64.5
		Domestic private	38,998	[24.5]	32,311	[22.7]	(6,687)	(17.1)
		Subtotal	76,328	[47.9]	93,726	[65.9]	17,397	22.8
	Building construction	Domestic public	6,538	[4.1]	11,911	[8.4]	5,373	82.2
		Domestic private	62,603	[39.2]	25,908	[18.2]	(36,695)	(58.6)
		Subtotal	69,142	[43.3]	37,819	[26.6]	(31,322)	(45.3)
	Domestic subtotal		145,471	[91.2]	131,546	[92.5]	(13,925)	(9.6)
	Overseas	Civil engineering	5,558	[3.5]	6,540	[4.6]	982	17.7
		Building construction	4,320	[2.7]	101	[0.1]	(4,218)	(97.6)
		Subtotal	9,879	[6.2]	6,642	[4.7]	(3,236)	(32.8)
	Total	Civil engineering subtotal	81,887	[51.4]	100,267	[70.5]	18,379	22.4
		Building construction subtotal	73,462	[46.0]	37,921	[26.7]	(35,541)	(48.4)
	Construction business subtotal		155,350	[97.4]	138,188	[97.2]	(17,161)	(11.0)
	Development business and others*		4,173	[2.6]	4,018	[2.8]	(154)	(3.7)
	Total		159,523	[100.0]	142,207	[100.0]	(17,316)	(10.9)
Constructions on hand	Civil engineering	Domestic public	141,674	[27.6]	150,319	[30.2]	8,644	6.1
		Domestic private	58,911	[11.5]	67,823	[13.6]	8,911	15.1
		Subtotal	200,586	[39.1]	218,142	[43.8]	17,555	8.8
	Building construction	Domestic public	23,474	[4.6]	32,403	[6.5]	8,929	38.0
		Domestic private	96,628	[18.8]	77,404	[15.5]	(19,224)	(19.9)
		Subtotal	120,102	[23.4]	109,807	[22.0]	(10,294)	(8.6)
	Domestic subtotal		320,689	[62.5]	327,950	[65.8]	7,260	2.3
	Overseas	Civil engineering	183,364	[35.7]	155,430	[31.2]	(27,933)	(15.2)
		Building construction	4,949	[1.0]	10,304	[2.1]	5,355	108.2
		Subtotal	188,313	[36.7]	165,735	[33.3]	(22,578)	(12.0)
	Total	Civil engineering subtotal	383,950	[74.8]	373,572	[75.0]	(10,378)	(2.7)
		Building construction subtotal	125,052	[24.4]	120,112	[24.1]	(4,939)	(4.0)
	Construction business subtotal		509,003	[99.2]	493,685	[99.1]	(15,317)	(3.0)
	Development business and others*		4,111	[0.8]	4,519	[0.9]	407	9.9
	Total		513,114	[100.0]	498,205	[100.0]	(14,909)	(2.9)

*In the reportable segments, development business and others are included in each segment, but are presented separately in this table.

(2) Full-year non-consolidated order forecast for the fiscal year ending March 31, 2027

	Orders received	
Forecast for the year ending March 31, 2027	¥354,000 million	4.5 % (year-on-year change)
Actual results for the fiscal year ended March 31, 2026	¥338,723 million	(4.3) %